



Howard County, Maryland

Department Property Tax Accounting

Senior Tax Credit Application

Filing Deadline - September 1, 2019

2019

Please Read Instructions Before Completing This Application Answer Every Question or Mark It None

GENERAL INSTRUCTIONS

Howard County provides a credit for the real property tax bill for homeowners of 65 or older who qualify on the basis of gross household income. Since eligibility for the program is based upon income, it may be convenient for you to complete this form at the same time you are preparing your federal income tax returns. Applications are processed by the Tax Credit Section of the Howard County Department of Finance.

IMPORTANT INFORMATION

Please note that if your application is filed after **May 1, 2019** you should not expect to receive any tax credit directly on the July 1, 2019 tax bill. You are advised to pay the tax bill as shown if you wish to receive the discount for early payment offered by Howard County.

OTHER REQUIREMENTS BEFORE FILING

You must satisfy four basic legal requirements before your eligibility according to income can be considered:

1. The dwelling for which application is being made must be your principal residence, where you reside or expect to reside for more than 6 months of the tax year, including July 1, 2019 unless you are unable to do so for reasons of illness or your need of special care or unless you just recently purchased your home. An individual who permits pursuant to a court order or separation agreement a spouse, former spouse or children of that person's family to reside in a dwelling in which the individual has a legal interest has met the residency requirement. A homeowner may claim credit for only one principal residence.
2. You must have legal interest in the property. Land installment sales contract purchasers, holders of a life estate, and beneficiaries of certain trusts have sufficient legal interest.
3. Your net worth, excluding the value of the property for which credit application is being made must not exceed **\$500,000** as of December 31, 2018.
4. Your combined gross household income cannot exceed **\$84,550**.

If the four requirements above are met, the amount of tax credit due, if any, will be calculated on the basis of the gross household income for calendar year 2018.

BEFORE YOU BEGIN, YOU WILL NEED THE FOLLOWING ITEMS TO COMPLETE THIS APPLICATION

1. Copy of your valid Maryland Government issued photo I.D. (Driver's license or MVA issued I.D. card)
2. Federal Tax Return completed by an accredited tax preparer OR
 - 2a. IRS Federal Income Tax Official transcript
3. Federal Tax schedules A, C, D, E, MISC, K-1 and all other applicable tax forms
4. W-2, SSA 1099's, Railroad Retirement, ALL 1099's (Pension, Annuity, IRA's) and rollover deposit if applicable

LIMITATIONS

The total assessed value minus any Homestead credit, shall be used for calculating those taxes eligible for credit. Property owners with large tracts of land will have the credit limited to curtilage, which is that amount of taxes on the land necessary for the dwelling and does not include excess acreage. The credit shall be limited to that portion of the dwelling used only for the applicant's residential purposes. Any metropolitan or fixed charges which may appear on the bill are not taxes eligible for credit.

The amount of the credit shall be calculated after all other credits granted for that property under this subtitle or the Tax-Property article of the Annotated Code of Maryland have been applied so the credit granted under this section makes up any difference between (i) the sum of all the other property tax credits and (ii) the amount that this credit would be if there were no other credits. **You cannot receive both the Aging in Place AND Senior Tax Credits.**

INCOME DEFINED

For purposes of the property tax credit program, it is emphasized that the applicant must report total income, which means the combined gross household income before any deductions are taken. Income information must be reported for the resident homeowner(s), spouse or co-owner and all other occupants of the dwelling unless such other occupants can be claimed as dependents on the applicant's 2018 federal income tax return or unless they are paying reasonable fixed charges such as rent or room and board.

Payments toward household expenses by other occupants should be reported as room and board. If the other occupants of the home who are not dependents for Internal Revenue Service purposes are not charged room and board or rent by you, you must include their total gross incomes. Your spouse and all owners on the deed who reside in the dwelling must report their gross income and not room and board.

Income from all sources must be reported whether or not included in the definitions of gross income for federal or State tax purposes. Nontaxable retirement benefits, such as Social Security, must be reported as income for the tax credit program. An applicant must report all monies he or she receives each year. Deductions for IRAs, Keoghs, or Deferred Compensation may not be used to reduce the amount of gross income reported.

Losses from business, rental or other endeavors may not be used to reduce the amount of gross income reported. The full amount of an inheritance is income. All gifts in excess of \$300 and expenses paid on your behalf by others must be reported as income.

COPY OF COMPLETE FEDERAL RETURN

If you file a federal income tax return for 2018, you must furnish a photocopy of your complete federal return, including all accompanying schedules and other forms, when submitting this application. If income was derived from a partnership or corporation, a copy of the partnership return (Form 1065, including Schedule K-1) and/or a copy of the corporate return (Form 1120 or 1120S, including Schedule K-1) must also be included. If separate returns were filed by spouses, then a copy of each must be included. A copy of the federal and not the Maryland return is required because necessary income information for the tax credit calculation is only available from the federal return and schedules. Failure to forward a complete and exact copy of the federal income tax return (if you are required to file) will delay the processing of your application.

INCOME VERIFICATION

In individual cases, an applicant may later be requested to submit additional verification or other evidence of income in order to substantiate the application for the property tax credit. An application may be subjected to audit at a later date. If an applicant reports insufficient monies to meet basic living expenses, then additional information will be requested.

Qualified applicants will automatically receive trash, bay and watershed credit where applicable.

Submit completed Senior Tax Credit applications to the address below no later than Sept. 1, 2019.

Howard County Department of Finance
Senior Tax Credit
3430 Court House Dr.
Ellicott City, MD 21043



Phone: (410) 313-4076
Fax: (410) 313-4099

www.taxcredits.howardcountymd.gov

If your combined gross household income does not exceed **\$45,000** and your Net Worth (excluding the value of your home, and excluding the value of qualified retirement plans, and individual retirement accounts) does not exceed **\$200,000**, you must also **submit completed Homeowner Credit applications to the State of Maryland no later than Sept. 1, 2019.**

1. Complete the **2019 Homeowners' Property Tax Credit** (Form HTC-60)
2. If you have not received form HTC-60 application, contact SDAT at (410) 767-4433
3. Send Form HTC-60 and the supporting documentation to the State of Maryland by
September 1 to:

**DEPARTMENT OF ASSESSMENT & TAXATION
HOMEOWNER'S TAX CREDIT PROGRAM
P.O. BOX 49005
BALTIMORE, MD 21297**

HOWARD COUNTY SENIOR TAX CREDIT APPLICATION

1. Last Name First Name MI.	2. Your Social Security Number	3. Your Birth Date	4. Parcel ID – from your tax bill
5. Full Name of Spouse or Co-Owner living in the property	6. Social Security Number	7. Birth Date	
8. Property Address (Number and Street, or Rural Route)	City,	Zip Code	Telephone Number
9. Mailing Address if Different from Above (Attach explanation why)	City,	Zip Code	
10. Marital Status: Single <input type="checkbox"/> Divorced <input type="checkbox"/> Married <input type="checkbox"/> Widowed <input type="checkbox"/> If widowed please submit a copy of the Death Cert			

11a. Do you own any other dwelling or other real estate in the State of Maryland or elsewhere? ☐ Yes ☐ No

If yes, please attach to this application a separate list of where the properties are located, their property account numbers and their use.

11 b. Do you own or operate a business? ☐ Yes ☐ No If yes **submit 1065/K-1**

12. Will you reside in the property on which you are applying for the tax credit on July 1, 2019 and for more than 6 months thereafter? ☐ Yes ☐ No If no, explain:

13. You **MUST** list the name of every resident over 18 years of age in your household who is not a co-owner and who **cannot** be claimed as your dependent for IRS purposes. (If more space is needed, attach a separate list.

(▼ You must answer this question ▼)

If none, write **NONE** and not **N/A**.

Income or room and board must be reported for

any nondependent filing an income tax return from this address.

Name

Name

14. Report here the amount of reasonable fixed charges for **room and board, rent or expenses paid** by the persons listed in item 13. If none is paid, write **NONE** and then list the total gross incomes of such residents in item 19, Column 3 (All Others).

\$ _____ per MONTH

15. Is any portion of the property for which this application is being made used for: a.) farming b.) a business and/or c.) a rental purpose?

16. ☐ Yes ☐ No, If yes, then circle which use (a, b, c) and indicate what percentage of the dwelling is used for your own residential purposes:

%

17. Asset Information

A) As of 12/31/2018, what is your total current balance in cash, savings, and checking accounts?

A _____

B) As of 12/31/2018, what is the amount of your investments in qualified retirement plans and individual retirement accounts?

B _____

C) As of 12/31/2018, what is the net worth of your investments?

C _____

Investments include real estate (do not include your primary residence for which this credit is sought), trust funds, money market funds, certificates of deposit, stocks, stock options, bonds, other securities, installment and land sale contracts (including mortgages held), commodities etc.)

Do not include the cash value of life insurance, tangible personal property or the amount already reported Questions A and B.

If 17 A + C equal less than \$200k and GROSS income is less than \$45k, applicant **MUST** fill out HTC-60

Total Assets (A+B+C)

18. Did or will you, and/or your spouse, file a Federal Income Tax Return for 2018? ☐ Yes ☐ No If yes, a copy of your return (and if married filing separately, a copy of your spouse's return) with all accompanying schedules must be submitted with this application.

19. SOURCES OF INCOME IN 2018 When a document is requested, please DO NOT send the original, send a copy. If no Social Security, Railroad Retirement or other pension benefits were received, then you must enter zero (0) in the appropriate space.	(1) APPLICANT	(2) SPOUSE OR RESIDENT CO-OWNER	(3) ALL OTHERS
Wages, Salary, Tips, Bonuses, Commissions, Fees (Attach a copy of W-2)			
Interest (taxable and non-taxable) Attach 1099 Int statement.....			
Dividends (& nontaxable distributions) Attach 1099 Int/Div statement.....			
Capital Gains (Includes non-taxed gains)			
Rental Income (gross) Schedule E Line 3 & 4 from your 1040			
Business Income (gross) Schedule C Line 7 from your 1040			
Room & Board (see instructions for line 14)			
Unemployment Insurance; Workers' Compensation (Circle which)			
Alimony; Support Money; Public Assistance Grants (Circle which)			
Social Security (Attach copy of 2018 Form SSA-1099); S.S.I. Benefits (circle which)			
Railroad Retirement (Attach copy of 2018 Verification or Rate letter)			
Other Federal Pensions (Not including VA Benefits) per year			
Veteran's Benefits per year (Attach a copy of VA letter)			
Pensions (If a rollover, provide proof of deposit)			
Annuities (If a rollover, provide proof of deposit)			
IRAs (If a rollover, provide proof of deposit)			
Deferred Compensation (Attach a W-2 or 1099 Statement)			
Gifts over \$300; Expenses Paid by Others; Inheritances (Circle which)			
All other income (Indicate Source)			
TOTAL INCOME, CALENDAR YEAR 2018			

I declare under the penalties of perjury, pursuant to Sec. 1-201 of the Maryland Tax-Property Code Annotated that this application (including any accompanying forms and statements) has been examined by me and the information contained herein, to the best of my knowledge and belief, is true correct and complete, that I have reported all monies received, that I have a legal interest in this property, that this dwelling will be my principal residence for the prescribed period. I understand that the Howard County Department of Finance may request additional information at a later date to verify the statements reported on this form, and that independent verifications of the information reported may be made. I also understand that intentionally providing false information on this application may result in repayments of credits.

_____ Applicant's Signature	_____ Date	_____ Spouse's or Resident Co-Owner's Signature
_____ Name of Preparer Other Than Applicant	_____ Date	_____ Telephone Number

THIS APPLICATION IS NOT OPEN TO PUBLIC INSPECTION - FILING DEADLINE IS September 1, 2019